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Senate approves Brown's job development legislation

LANSING – The Michigan Senate passed legislation Thursday that will better help Michigan communities compete with neighboring states, said Sen. Cameron S. Brown, R-Fawn River Township.

“My colleagues in the Senate again voted to give Michigan’s local units of government an important economic development tool at a time when they need it most,” Brown said. “We need to make Michigan an attractive state to do business in – we need to make job growth our number one priority.”

Introduced by Brown, Senate Bill 1111 allows local units of government to grant property tax abatements to large-scale warehousing and distribution centers.

The bill is identical to legislation vetoed by Gov. Jennifer Granholm last year intended to help make Michigan competitive with other states in the Great Lakes Basin. Indiana, Ohio and Illinois already allow local units of government to extend property tax abatements to help attract or retain large-scale commercial warehousing and distribution centers.

“If the governor is serious about improving our struggling economy and attracting new businesses to our state, she will take advantage of this second opportunity to sign this legislation,” Brown said. “We cannot afford to sit by and continue to allow Michigan’s communities to be at a competitive disadvantage with neighboring states. How many more jobs must stream across our borders before the administration realizes the importance of this legislation?”

While the national unemployment rate is 4.7 percent, Michigan’s reached 6.8 percent in March.

According to The Detroit News, Michigan has lost one of every three manufacturing jobs since 1999 and 20,000 since March of 2005 alone.

The need for the legislation was originally brought to Brown’s attention when a large food distribution company – Performance Foods – chose to locate in nearby Kendallville, Indiana rather than Michigan. The inability of Michigan communities to offer commercial tax abatements for commercial distribution warehouses was specifically cited by the company as a reason it went elsewhere.

“Every day that goes by without this legislation is a day Michigan communities are at an economic disadvantage with our neighbors,” Brown said. “Michigan’s economic development officials and locally elected officials are asking us for this tool and they deserve it.”

SB 1111 will now go to the House of Representatives for consideration.

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